

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In re

CASH CLOUD, INC., dba COIN CLOUD,

Debtor.

Chapter 11

Case No. BK-23-10423-mkn

**COVER PAGE IN SUPPORT OF
PROOF OF ADMINISTRATIVE EXPENSE CLAIM OF STRETTO, INC.**

Stretto, Inc. (“Stretto”), as claims and noticing agent (in such capacity, the “Claims and Noticing Agent”) in the chapter 11 case (the “Chapter 11 Case”) of the above-captioned debtor (the “Debtor”), hereby submits the following in support of the foregoing proof of administrative expense claim (the “Administrative Expense Claim”) in the aggregate amount of \$364,849.22. In support of the Administrative Expense Claim, Stretto represents as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the District of Nevada (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is core proceeding within the meaning of 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief sought herein are sections 503(b)(1)(A) and 507(a)(2) of title 11 of the United States Code (as amended, the “Bankruptcy Code”).

Background

3. On February 7, 2023 (the “Petition Date”), the Debtor filed with the Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

4. On March 21, 2023, the Court entered an order [Docket No. 338] (the “Claims and Noticing Agent Order”) authorizing the employment and retention of Stretto as claims and noticing agent to the Debtor effective as of the Petition Date.

5. Under 28 U.S.C. § 156(c):

Any court may utilize facilities or services, either on or off the court’s premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out of the assets of the estate and are not charged to the United States.

Thus, Stretto is an agent of the Court, and Stretto’s fees and expenses are akin to other bankruptcy fees due to the clerk of the Court from the debtors’ estates. See, e.g., 28 U.S.C. § 1930 (detailing various bankruptcy fees due to the clerk of the court); 11 U.S.C. § 507 (ascribing second priority to “any fees and charges assessed against the estate under chapter 123 of title 28”, which includes bankruptcy fees under 28 U.S.C. § 1930); 11 U.S.C. § 1112(b)(4)(K) (authorizing the Court, upon request, to convert or dismiss a chapter 11 case for failure to pay any fees or charges required under chapter 123 of title 28).

6. Pursuant to the Claims and Noticing Agent Order:

The Debtor is authorized to compensate Stretto in accordance with the terms of the Services Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by Stretto and the rates charged for each, and to reimburse Stretto for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for Stretto to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses. Debtors are authorized to compensate Stretto in accordance with the terms of the Services Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by Stretto and the rates charged for each, and to reimburse Stretto for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for Stretto to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

Further, “pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of Stretto under [the Claims and Noticing Agent Order] shall be an administrative expense of the Debtor’ estates.” Claims and Noticing Agent Order, ¶ 11.

7. As required by the Claims and Noticing Agent Order, Stretto duly maintained records detailing Stretto’s fees and expenses incurred in its capacity as the Claims and Noticing Agent, and served monthly invoices on the Debtor, the Office of the U.S. Trustee, counsel for the Debtor, counsel for any official committee (if any) monitoring the expenses of the Debtor, and any party-in-interest who specifically requested service of the monthly invoices. Stretto never received an objection to its fees and expenses.

8. For the period between the Petition Date and June 30, 2023, in its capacity as the Claims and Noticing Agent, Stretto incurred fees and expenses in the aggregate amount of \$708,207.67. After application of payments made by the Debtor, Stretto is currently owed \$364,849.22¹ from the Debtor’s estate on account of fees and expenses incurred by Stretto in its capacity as the Claims and Noticing Agent (the “Outstanding Fees and Expenses”). Attached hereto as **Exhibit A** is a summary of outstanding balances pursuant to Stretto’s records.

9. On July 11, 2023, the Court entered that certain *Order Establishing Administrative Claim Bar Date for Filing Proofs of Administrative Expense Claim and Approving Form, Manner and Sufficiency of Notice Thereof* [Docket No. 823] (the “Order”). Pursuant to the Order, the Court established July 20, 2023, at 5:00 p.m. Prevailing Pacific Time (the “Administrative Claim Bar Date”), as the deadline for all persons and entities, including governmental units, to assert

¹ As reflected on Exhibit A attached hereto, this amount includes (i) \$175,023.98 in outstanding fees and expenses for the period May 1, 2023 through May 31, 2023, (ii) \$129,825.24 in outstanding fees and expenses for the period June 1, 2023 through June 30, 2023, and (iii) \$60,000 in estimated fees and expenses for the period July 1, 2023 through July 21, 2023.

administrative expense claims against the Debtor that arose or accrued after the Petition Date through the Administrative Claim Bar Date.

Request for Relief

10. Section 503(b)(1)(A) of the Bankruptcy Code states, in pertinent part, as follows:

After notice and a hearing, there shall be allowed administrative expenses, other than claims allowed under section 502(f) of this title, including – (1)(A) the actual, necessary cost and expenses of preserving the estate...

11 U.S.C. § 503(b)(1)(A). Under the Claims and Noticing Agent Order, absent objection to its timely-submitted invoices, Stretto is entitled to payment of its fees and expenses incurred as the Claims and Noticing Agent without the need for further Court approval. Accordingly, Stretto hereby respectfully requests immediate payment of its outstanding fees and expenses in the aggregate amount of \$364,849.22.

Reservation of Rights

11. Stretto expressly reserves its rights to amend and/or supplement this Administrative Expense Claim based on, among other things, events, information, and/or documents obtained from the Debtor or otherwise.

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WHEREFORE, Stretto respectfully requests the Court enter an order, (i) allowing the Administrative Expense Claim, (ii) directing the Debtor to immediately pay Stretto's outstanding fees and expenses in the aggregate amount of \$364,849.22 incurred in Stretto's capacity as the Claims and Noticing Agent in the Chapter 11 Case, and (iii) granting such other and further relief as the Court deems just and proper.

Dated: July 20, 2023
New York, New York

STRETTO, INC.

/s/ Christopher J. Updike

Christopher J. Updike
7 Times Square, 16th Floor
New York, NY 10036
Tel: (714) 716-1903
Email: chris.updike@stretto.com

Exhibit A

Stretto, Inc.

410 Exchange, Ste 100
 Irvine, CA 92602
 800.634.7734
 StrettoCR-Billing@stretto.com



Statement

TO

Cash Cloud Inc. (DBA Coin
 Cloud)

STATEMENT NO. 3678**DATE 07/20/2023****TOTAL DUE \$304,849.22****ENCLOSED**

DATE	DESCRIPTION	AMOUNT	OPEN AMOUNT
06/03/2023	Invoice #8403: Due 07/03/2023.	175,023.98	175,023.98
07/03/2023	Invoice #8560: Due 08/02/2023.	129,825.24	129,825.24

Current Due	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	90+ Days Past Due	Amount Due
129,825.24	175,023.98	0.00	0.00	0.00	\$304,849.22

For wire/ACH payments:

Bank Name – Pacific Western Bank

Bank Address – 110 West A Street, Suite 100, San Diego, CA 92101

Account No – 1000681781

ABA - 122238200

Beneficiary - Stretto

Remit Check Payments to:

Stretto: Attn Accounts Receivable

410 Exchange, Ste. 100

Irvine, CA 92602